

**BELLSOUTH**

W. W. (Whit) Jordan  
Executive Director - Federal Regulatory

EX-112 LATE FILED

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April 29, 1997

ExParte

William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street NW, Room 222  
Washington, D.C. 20554

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Federal Communications Commission  
Office of Secretary

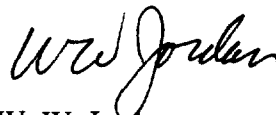
RE: CC Docket Nos. 96-45 and 96-262

Dear Mr. Caton:

The attached letters have been delivered to Chairman Hundt, Commissioner Quello, Commissioner Ness and Commissioner Chong by the undersigned on behalf of Ameritech, BellSouth, GTE, SBC Communications Inc. and US West in connection with the above referenced proceedings.

Please call me if you have any questions.

Yours truly,



W. W. Jordan  
Executive Director - Federal Regulatory

Attachment

cc:	Tom Boasburg	Gina Keeney	Bill Kennard
	Jim Casserly	Richard Metzger	John Nakahata
	Jim Coltharp	Jim Schlichting	Chris Wright
	Dan Gonzalez	Bob Pepper	Greg Rosston
	Pat DeGraba	John Garcia	

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April 29, 1997

The Honorable Reed E. Hundt  
Federal Communications Commission  
1919 M Street NW, Room 814  
Washington, D.C. 20554

Dear Chairman Hundt:

We are writing to express our shared concern regarding an important part of the implementation of the universal service provisions of the Telecommunications Act of 1996. Our concern deals with the application of access charges to customers of unbundled network elements. It is our belief that until the Commission completes the implementation of the new explicit universal service support mechanisms directed by the Act, that certain elements of access charges should apply to interstate traffic of carriers utilizing unbundled network elements.

In the First Report and Order in CC Docket 96-98 (Interconnection Order) the Commission stated:

Without a temporary mechanism such as the one we adopt below, the implementation of Section 251 would permit competitive local service providers that also provide interstate long-distance service to avoid totally the CCLC and TIC, which in part represent contributions toward universal service, by serving their local customers solely through the use of unbundled network elements rather than through resale...Because of our desire to err on the side of caution where universal service may be implicated, we conclude that some action is needed during the interim period before we complete our access reform and universal service proceedings." (Paragraph 719)

The "temporary mechanism" which the Commission references is the application of the CCL and 75% of the TIC until the completion of the universal service and access reform proceedings or June 30, 1997, whichever came first. When the Commission adopted this order, we believed that its decisions due by May 8, 1997 would fully address the establishment of new explicit support mechanisms to remove implicit support from interstate access charges.

As recent press reports have indicated, it does not appear that the Commission will complete its decision on new explicit support mechanisms for large LECs until sometime

The Honorable Reed E. Hunt

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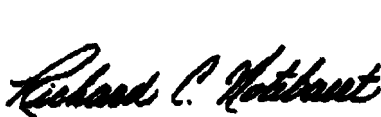

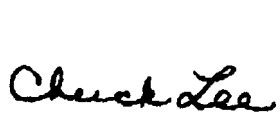
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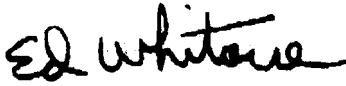
in 1998, and implementation of these mechanisms could well extend until January 1, 1999. Due to the important role which implicit support plays in assuring affordable basic service, we do not believe that it would be in the public interest to go for eighteen months before replacement mechanisms are in place. IXC's and others have indicated their intent to use unbundled network elements to aggressively market local service. This will place billions of dollars of needed support at risk with no replacement vehicle as contemplated by the Act.

We would hope that the Commission will continue to err on the side of caution where universal service is concerned, and will maintain this temporary mechanism until the universal service proceeding is completed and the new explicit support mechanisms are implemented.

Thank you for your consideration.

Yours truly,

		
Richard C. Notebaert Chairman & CEO Ameritech	F. Duane Ackerman President & CEO BellSouth Corporation	Charles R. Lee Chairman & CEO GTE

  
Edward E. Whitacre, Jr.  
Chairman & CEO  
SBC Communications Inc.

  
Richard D. McCormick  
Chairman & CEO  
U S West

April 29, 1997

Commissioner Rachelle B.Chong  
Federal Communications Commission  
1919 M Street NW, Room 844  
Washington, D.C. 20554

Dear Commissioner Chong:

We are writing to express our shared concern regarding an important part of the implementation of the universal service provisions of the Telecommunications Act of 1996. Our concern deals with the application of access charges to customers of unbundled network elements. It is our belief that until the Commission completes the implementation of the new explicit universal service support mechanisms directed by the Act, that certain elements of access charges should apply to interstate traffic of carriers utilizing unbundled network elements.

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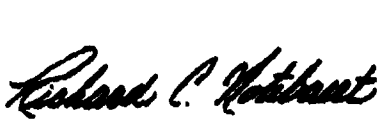
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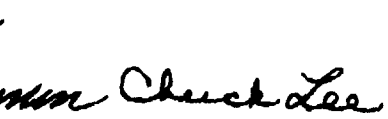
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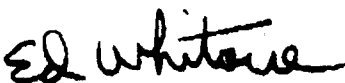
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GTE



Edward E. Whitacre, Jr.  
Chairman & CEO  
SBC Communications Inc.



Richard D. McCormick  
Chairman & CEO  
U S West

April 29, 1997

Commissisoner James H. Quello  
Federal Communications Commission  
1919 M Street NW, Room 802  
Washington, D.C. 20554

Dear Commissioner Quello:

We are writing to express our shared concern regarding an important part of the implementation of the universal service provisions of the Telecommunications Act of 1996. Our concern deals with the application of access charges to customers of unbundled network elements. It is our belief that until the Commission completes the implementation of the new explicit universal service support mechanisms directed by the Act, that certain elements of access charges should apply to interstate traffic of carriers utilizing unbundled network elements.

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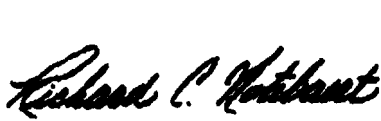
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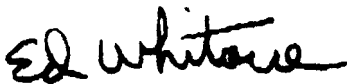
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Chairman & CEO  
SBC Communications Inc.



Richard D. McCormick  
Chairman & CEO  
U S West

April 29, 1997

Commissioner Susan Ness  
Federal Communications Commission  
1919 M Street, Room 832  
Washington, D.C. 20554

Dear Commissioner Ness:

We are writing to express our shared concern regarding an important part of the implementation of the universal service provisions of the Telecommunications Act of 1996. Our concern deals with the application of access charges to customers of unbundled network elements. It is our belief that until the Commission completes the implementation of the new explicit universal service support mechanisms directed by the Act, that certain elements of access charges should apply to interstate traffic of carriers utilizing unbundled network elements.

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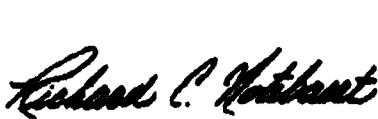
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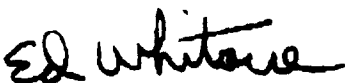
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